

VA Financial Policies and Procedures
Reimbursable Agreements

CHAPTER 11

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1101 OVERVIEW

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding reimbursable agreements. Reimbursable agreements may be entered into under various legislative authorities. They are characterized as buy/sell monetary arrangements within or between a Federal agency and are a type of intragovernmental transaction. VA organizations that require support will first consider support capabilities available within their organizations, consistent with mission requirements and regulatory authorizations before seeking other sources. Consideration should also be given to using capabilities available from within VA and other Federal activities -- this discretionary authority is subject to higher regulatory authorities that mandate specified sources of service or supply for VA activities. However, when there is doubt that obtaining commercial-type support from other VA or Federal activities would not provide the best value, satisfy VA's schedule, or be the most cost effective, consideration should be given to procuring the support from a commercial source.¹

Although credit reform reimbursements or borrowing agreements between non-appropriated financing accounts are intragovernmental transactions, they are not reimbursable agreements as characterized by this chapter. Refer to Volume V, Chapter I, *Intragovernmental vs. Governmental (Public) Assets*, and Chapter 2, *Entity vs. Non-Entity Assets*, for policy guidance. Another type of agreement not covered in this chapter is the bartering agreement or the exchange of assets/goods or services (other than cash) for other non-monetary assets/goods or services. Refer to Volume I, Chapter 10, *Bartering*, for the authority and additional information on these types of agreements.

1102 POLICIES

110201 VA will ensure the use of reimbursable agreements is in accordance with the Economy Act, [Title 31 United States Code \(U.S.C.\) Section 1535](#), or other statutory authority, e.g., authority for medical cost sharing agreements,² revolving and franchise fund reimbursements³, and credit reform reimbursements.

A. VA may use a revolving fund when a law that establishes the revolving fund authorizes VA to credit payments to the fund that performs the work. Revolving funds operate on a reimbursable basis when working capital (undisbursed cash) is available, e.g., Supply Fund ([38 U.S.C. 8121](#)) or Franchise Fund ([Public Law 109-114](#)). Refer to

¹ Refer to the Federal Acquisition Regulation (FAR), [48 C.F.R. Subpart 17.5 Interagency Acquisitions](#), and VA Acquisition Regulation (VAAR), [48 C.F.R. 801.602-74 801.602-74 Review requirements for an interagency agreement](#).

² A reimbursable agreement for medical cost sharing (e.g., [38 U.S.C. 8153 Sharing of Health-Care Resources](#)) for purposes of this chapter only applies to an agreement VHA may have with another Federal agency.

³ Refer to Volume II, Chapters 2A, *Supply Fund*, and 2B, *Franchise Fund*, for additional information on these types of funds.

Office of Financial Policy (OFP) Volume II Chapter 2A, *Supply Fund*, and Chapter 2B, *Franchise Fund*, for additional information.

B. VA may not augment its appropriation accounts (including annual appropriations and revolving funds) with transfers from other accounts without specific statutory authority. Reimbursable agreements are a type of funds transfer because they result in the merger of funds with a withdrawal from one account and credit to another account, for payment of goods or services obligated and received.⁴ However, reimbursable agreements are expenditure transfers that impact the budget accounts; unlike nonexpenditure transfers that do not impact the overall budget surplus or deficit and require an official request to the Department of the Treasury (Treasury).

C. As a rule, if a particular function is assigned to one office by statute or by the Secretary, that office generally may not seek contributions (to include, through reimbursable agreements) from offices funded by other appropriations to finance that function. The contributions would be an augmentation to the originating office's appropriation.

VA may only proceed with modifying how a function or activity is funded after a formal request has been submitted through the budget process approved by Congress. The request informs Congress of VA's intent to change the funding methodology for that fiscal year and subsequent fiscal years.⁵ Contact VA's Office of Budget (O/B) for assistance and guidance on these issues.

110202 REIMBURSABLE AGREEMENTS. Reimbursable agreements may be executed within VA between different appropriations or between VA and another Federal agency. Under existing statutory authority, when one office provides a beneficial service to another office, the office receiving the service will reimburse the providing office for the cost of that service.

A. At the beginning of each year, O/B will submit the total estimate for reimbursement funding (apportionment) to the Office of Management and Budget (OMB).

1. An office or organization that has a need for a reimbursable agreement, regardless of whether it is with another Federal agency or within VA, will submit the cost of goods/services estimate to O/B for review and inclusion in the apportionment request. Reimbursable agreements with cost-sharing arrangements to distribute the expenditures will be identified in the estimate.

⁴Refer to Volume II, Chapter 7, Various Appropriations Law Related Topics, for additional information on the budget and appropriation implications of reimbursable activity.

⁵ [Principles of Federal Appropriations Law, Volume I](#), Chapter 2, Section B. 2., Two Appropriations Available for Same Purpose: also known as the "Pick and Stick" rule: When one can reasonably construe two appropriations are available for an expenditure not specifically mentioned in statutory appropriation account language, the Department must make an administrative determination as to which appropriation to charge. Once an appropriation is chosen to fund a function, the Department must stay with that account to the exclusion of all others.

2. An office or organization that has a need for a reimbursable agreement that is new (not initially requested) or above the initial estimate will notify O/B for submission to OMB for apportionment. Refer to Volume II Chapter 2, VA's *Budget Cycle and Fund Symbols*, for additional information on apportionment.

B. VA will use either the Treasury FMS Form 7600, Interagency Agreement (IAA), or the VA Form 2269, Interagency Cross-Servicing Support Agreement, for reimbursable agreements, including but not limited to, agreements between agencies, agreements within agencies, grant-related agreements⁶, and assisted acquisitions.⁷ The forms may be accessed via the hyperlinks in [Appendix A, FMS Form 7600 IAA](#), and [Appendix B, VA Form 2269, Interagency Cross-Servicing Support Agreement](#). To determine which form should be used, the complexity, frequency, reporting requirements, and other information will be considered.

Depending upon the reimbursable agreement, certain sections of the IAA may not require completion. Refer to section 1105 Procedures (below), OFP Volume VII, Chapter 5, *Financial Reporting - Intragovernmental Activity and Reconciliations*, and the Treasury Financial Manual (TFM) Volume I, Part 2, *Chapter 4700, Agency Reporting Requirements for the Financial Report of the United States Government*, for additional information.

1. When the servicing office requires another interagency agreement form or the type of reimbursable agreement has other reporting requirements, VA will follow the guidance as designated. An example of other reporting requirements are found in the TFM, Volume I, Part 2, Chapter 4700, Appendix 10 for the Office of Personnel Management and Department of Labor. VA will ensure that all required information for intragovernmental transactions is identified.

2. VA Form 2269 can be used in lieu of the FMS Form 7600 for reimbursable agreements when the information is contained within VA's accounting system, such as a reimbursable agreement initiated between an Administration fund (GOE) and the Franchise Fund.

C. A VA office or organization, entering into a reimbursable agreement, will consult with its Office of Acquisition and Logistics representative to ensure that the reimbursable agreement is in compliance with acquisition requirements, such as the Federal Acquisition Regulation and the VA Acquisition Regulation.

⁶ Grant-related IAAs are reimbursable agreements where the Servicing Agency awards or manages grant(s) or grant program(s), or otherwise performs grant-type services for public benefit on behalf of the Requesting Agency.

⁷ Assisted Acquisitions are reimbursable agreements where the Servicing Agency provides acquisition support and awards contracts on behalf of the Requesting Agency's requirements for products or services.

D. VA will follow Treasury guidance as required for interagency reimbursable agreement transactions, with descriptive data from one federal agency to another. The Treasury Intra-governmental Payments and Collections System (IPAC) will be the primary payment methodology used for reimbursable agreement transactions. In addition to the OFP Chapter and TFM above, refer to the Treasury IPAC web site, <http://fms.treas.gov/ipac/index.html>.

E. VA may use reimbursable agreements from different appropriations when the appropriation receiving the funding transfer has both reimbursable authority and specific approval from OMB for that function to be considered reimbursable. As an example, the reimbursable agreement may be for a Department-wide project or program and for some specific activities such as General Operating Expenses at VA Central Office and the Franchise Fund.

F. VA may use reimbursable agreements within VA, but between different VA appropriations. VA will not use a reimbursable agreement within an appropriation because recording the transactions may result in (1) an overstatement in the appropriation's revenues and expenses and complicate Federal Agencies Centralized Trial Balance System (FACTS) I reporting, and (2) problems with the SF-132, Apportionment and Reapportionment Schedule, which indicates the amount of reimbursable authority.

G. VA may initiate a cost-sharing arrangement⁸ as part of a reimbursable agreement, for a Department-wide initiative or activity. Refer to section 110502 Cost-Sharing Arrangements for the related procedures to identify and document a cost-sharing arrangement.

1. VA Administrations and staff offices may pool their resources to pay for goods and services that will benefit more than one administration or staff office. The cost-sharing arrangement is the method used to identify the managing and participating organizations, the benefit each participating organization will receive, and the funds for expenditure transfers. VA managing and participating organizations will adhere to the above reimbursable agreement requirements. An example of a cost-sharing arrangement may be the reimbursements collected by the Office of Human Resources and Administration for the adjudication of Equal Employment Opportunity discrimination complaints or transit benefits across the participating organizations.

2. VA may use statutory authority under the [Economy Act, 31 U.S.C. 1535](#), or the account adjustment statute, [31 U.S.C. 1534](#), to share resources across appropriations within VA (a.k.a. cost-sharing arrangements.) Regardless of which authority is used, the ordering office must charge the benefiting appropriation accounts amounts that are commensurate with the value received by their staff office(s) and/or Administrations. As discussed in sections 110201B and 110201C above, VA organizations may not use

⁸ Cost-sharing arrangement used in this context does not refer to the sharing of health-care resources cost sharing agreements with commercial or non-Federal entities.

cost-sharing arrangements to augment their appropriation accounts with transfers from other accounts without specific authority.

110202.01 ECONOMY ACT REIMBURSABLE AGREEMENTS. VA may execute reimbursable agreements in accordance with the Economy Act when more specific authority does not exist.⁹ The Economy Act provides authority for placement of orders between major organizational units within an agency (intra-agency or interservice), as well as between Federal agencies (interagency). Reimbursable agreements may include intra-agency (between different VA funds) or interagency support (VA to other Federal agency). VA will adhere to the above reimbursable agreement requirements when executing an agreement under the Economy Act.

A. Authorization. The Economy Act specifically authorizes the head of an agency or major organizational unit within an agency to place an order with a major organizational unit within the same agency or another Federal agency for goods or services, provided:

- The ordering agency has funds to pay for the order.
- The head of the ordering agency or unit decides the order is in the best interest of the United States Government.
- The head of the ordering agency decides that the ordered goods or services cannot be provided by contract as conveniently or cheaply by a commercial enterprise.
- The agency or unit filling the order is able to provide the goods or services.

B. Payments. Payment shall be made promptly on the written request of the agency or unit filling the order.

1. Payment may be requested in advance or upon providing the goods or services ordered and may be for any part of the estimated or actual cost as determined by the agency or unit filling the order. A bill submitted or a request for payment is not subject to audit or certification in advance of payment. Proper adjustment of amounts paid in advance shall be made as agreed to by the heads of the agencies or units on the basis of the actual cost of goods or services provided.

2. Title [31 U.S.C. 1536](#) provides for the crediting of payments from purchases between executive agencies.

a. An advance payment is credited to a designated special working fund. Except as determined in b (below), any other payment is credited to the appropriation or fund against which the order was filled and charged.

⁹The Act does not apply to acquisitions from required or optional sources of supplies, which have separate statutory authority (e.g. Federal Supply Schedule ([40 U.S.C. 501](#)) contracts), or acquisitions using Governmentwide acquisitions contracts.

b. An amount paid may be expended in providing goods or services for the specified purpose of the appropriation credited. Where goods are provided from stock on hand, the amount received in payment is credited to be available to replace the goods unless:

- Another law authorizes the amount to be credited to some other appropriation, or
- The head of the agency or unit filling the order decides that replacement is not necessary, in which case, the amount received is deposited in the Treasury as miscellaneous receipts.

C. Limitations. Because of previous instances of abuse of Economy Act orders, limitations on the use of Economy Act orders have been imposed.

1. Economy Act orders may not be used by an agency to circumvent conditions and limitations imposed on the use of funds, including extending the period of availability of the cited funds. The amount obligated for an order will be deobligated to the extent that the agency or unit filling the order has not incurred obligations before the end of the appropriation availability.

2. The Economy Act may not be used to make acquisitions conflicting with any other agency's authority or responsibility. (Refer to the Federal Acquisition Regulation (FAR) Subpart 17.502 Procedures.) An Economy Act order cannot be used by one organizational unit to order work or services from another organizational unit under the same activity director/program manager where the activity director/program manager is in a position to fund the required goods or services through the use of direct funds.

D. The FAR Subpart 17.5, Interagency Acquisitions, prescribes the policies and procedures applicable to reimbursable agreements under the Economy Act.

110202.02 INTERAGENCY ACQUISITIONS. VA will ensure that interagency acquisitions are executed in accordance with the Office of Acquisition and Logistics information letter [001AL09-04, Managing Interagency Acquisitions](#), as updated per OMB Office of Federal Procurement Policy, [Guidance for Improving the Management and Use of Interagency Acquisitions, dated June 6, 2008](#). Interagency acquisitions are a type of intragovernmental transaction and will be recorded and reported as such, to include reporting the estimate for reimbursement funding to O/B. Refer to OFP Volume VII, Chapter 5, *Financial Reporting - Intragovernmental Activity and Reconciliations*, for additional information.

110203 EXPENDITURE TRANSFERS. When a managing office or organization does not obligate the funds (e.g., to a specific cost center, budget object code, or accounting classification code) expenditure transfers between appropriations or fund accounts may be used to transfer expenditures to the appropriate funds. The participating organizations are responsible for establishing the corresponding obligations that expenditure transfers will be recorded against.

Refer to OFP Volume I, Chapter 9, *Interstation Transactions*, and Chapter 9A, *Expenditure Transfers and Adjustments to Expenditures*, OMB Circular A-11, *Preparing, Submitting, and Executing the Budget*, and TFM Volume I, Part 2, Chapter 2500, *Expenditure Transactions between Appropriation, Fund, and Receipt Accounts*, for additional information on the transactions related to the reimbursable orders and cost sharing arrangements.¹⁰

110204 REIMBURSABLE AGREEMENTS REPORTING. VA will report reimbursable agreements (intragovernmental transactions) in accordance with OMB Circular A-136, *Financial Reporting Requirements*, and Treasury Financial Manual, Volume I, Part 2, Chapter 4700, *Agency Reporting Requirements for the Financial Report of the United States Government*. Refer to OFP Volume VII, Chapter 5, *Financial Reporting - Intragovernmental Activity and Reconciliations*, for specific VA guidance.

1103 AUTHORITY AND REFERENCES

110301 [31 U.S.C. 1534, Adjustments between Appropriations](#)

110302 [31 U.S.C. 1535, Agency Agreement \(The Economy Act\)](#)

110303 [OMB Circular A-136, Financial Reporting Requirements](#)

110304 [Federal Acquisition Regulation](#)

110305 [TFM Volume I, Part 2, Chapter 2500, Expenditure Transactions between Appropriation, Fund, and Receipt Accounts](#)

110306 [TFM Volume I, Part 2, Chapter 4700, Agency Reporting Requirements for the Financial Report of the United States Government](#)

110307 [OFP Publications Library](#)

110308 [OAEM Policies, Procedures and Regulations](#)

110309 [VA Acquisition Regulation](#)

110310 [VA Forms Web Site](#)

¹⁰ Expenditure transfers (ETs) within VA's Financial Management System (FMS) appear as payments, in that FMS' payment tables reference obligations. On the other hand, expenditure transfers within stations (EWs) or between stations (EBs) are handled by journal vouchers, with no reference to obligations.

1104 ROLES AND RESPONSIBILITIES

110401 The Assistant Secretary for Management, VA's Chief Financial Officer (CFO), oversees all financial management activities relating to the Department's programs and operations, as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309. Responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

110402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Finance Officers, Chiefs of Finance Activities, Fiscal Officials, Chief Accountants and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

110403 The Office of Finance, Office of Financial Policy (OFP) is responsible for developing, coordinating, reviewing, evaluating, and issuing VA financial policies, including those that impact financial systems and procedures for compliance with all financial laws and regulations. OFP is also responsible for preparing various comprehensive Departmental financial reports, such as those required by the President and the Executive Branch, including OMB and Treasury reports.

110404 The VA Office of Budget is responsible for providing guidance and support to the Department's Administrations and staff offices on matters relating to budget formulation and execution. The Deputy Assistant Secretary (DAS) for Budget will request reimbursable authority from OMB to obligate these reimbursements and other income as a part of the annual apportionment or subsequent reapportionment submission. The Service Directors will allot the reimbursements and other income to the program officials, but only if there is reasonable assurance that such items will be collected.

110405 The Office of Acquisition and Logistics (OAL) is responsible for the acquisition policy of all Property, Plant and Equipment (PPE) purchases (except major construction and real property) and supports VA's vast array of diverse programs and functions involving expenditures for supplies and services. It also has a Government-wide role in the supply management of medical supplies and non-perishable subsistence. Because of its Department-wide and Government-wide mission, as well as its role in protecting the integrity of the procurement and supply system, OAL is organizationally independent of the activities it serves.

110406 Program officials who receive allotments which contain estimated reimbursements or other anticipated receipts must maintain constant and careful oversight to ensure that these reimbursements and other income are earned, received and credited as planned, so that appropriate funding adjustments can be implemented if necessary. Program officials cannot use the reimbursable authority received from Congress for any other purpose than that authorized for VA.

1105 PROCEDURES

110501 REIMBURSABLE AGREEMENTS.

A. As identified in section 110202 B, VA will complete the necessary sections of the FMS Form 7600 or the VA Form 2269 for reimbursable agreements. Where there is a memorandum of understanding (MOU), service level agreement (SLA), or interagency acquisition,¹¹ the forms may serve as a cover. Certain fields of the forms may reference the sections of the MOU or SLA.

1. FMS Form 7600. This form contains sections on General Terms and Conditions (GTC) and Order Requirements and Funding Information. Refer to [Appendix A, FMS Form 7600 IAA](#), for an example of each section. The FMS web site <http://www.fms.treas.gov/finstandard/forms.html> also contains detailed instructions for completing the IAA form.

a. The GTC is the partnership section of the Form 7600. It sets the relationship between the trading partners. It identifies the agencies entering into the agreement, the authority permitting the agreement, and the agreement action, period, and type. Each IAA must include one GTC. This section identifies the general terms and conditions that will govern the relationship between the requesting agency and servicing agency, including roles and responsibilities for both trading partners to ensure effective management of the IAA.

b. The order is the funding section that creates a fiscal obligation when the requesting agency demonstrates a bona fide need and provides the necessary product(s) or service(s) requirements; funding information is provided for both trading partners; and all required points of contact sign to authorize the order.

The order identifies the specific requesting agency requirements for the expected delivery of products and/or services by the servicing agency. This section identifies the roles and responsibilities for both trading partners to ensure effective management of the order and use of the related funds.

2. FMS Form 7600, [Appendix A, FMS Form 7600 IAA](#), or VA Form 2269, [Appendix B, VA Form 2269, Interagency Cross-Servicing Support Agreement](#): Because reimbursable agreements vary in complexity and requested services or goods, certain sections of the forms may not be required. At a minimum, the following information will be completed in the appropriate sections:

¹¹ Refer to OAL [IL 001AL09-04, Managing Interagency Acquisitions](#), for additional requirements.

- Requesting and servicing agency points of contacts and signatures, to include authorizing, fiscal, funding, and program POCs, as needed (these may be the same person in some cases);
- Agreement number, type of action: new, amendment, cancellation, project number;
- Type of agreement (must identify an assisted acquisition agreement), the authority, description of services, period of service, cancellation requirements, recurrence;
- Requesting and servicing agency roles and responsibilities;
- Funding information, including unit and total funding cost, trading partner information, expiration of funds; and
- Payment information: payment method and frequency, advances authorized.

B. Both parties to the agreement should agree to procedures for the resolution of disagreements that may arise under the acquisitions.

C. Any change in the reimbursable estimated amount, when identified, will be submitted to O/B to preclude an over obligation of available budget authority. If an order is reduced without proper notice and obligations are greater than the estimated amount at the end of the fiscal year, an over obligation of funds could result in an Anti-Deficiency Act violation. If it becomes apparent that the costs are going to exceed the order, an amended order should be negotiated.

D. Reimbursements are earned based on the actual delivery of goods and/or services to the receiver. After the order has been fulfilled, a final completion notice must be submitted to de-obligate any remaining balances and close out the account. When reimbursements are earned, accounts receivables are posted for which VA will issue bills to the receivers.

E. Collections that can be monitored under the reimbursable agreement are recorded after the receiving agency has been billed and payment received by the servicing agency. The amount recorded as a collection for each completed reimbursable order must equal the reimbursement earned. Collections cannot exceed reimbursements earned.

110502 COST-SHARING ARRANGEMENTS¹²

A. A single VA organization will be designated as the manager for the cost-sharing arrangement to ensure that all documentation is completed and the costs are distributed and recorded appropriately. The managing office is not necessarily a participant.

B. The managing VA organization for a cost-sharing arrangement, as outlined in 110202B Reimbursable Agreements, will ensure that either the FMS Form 7600 or VA Form 2269 is completed as part of the documentation and processed properly. Prior to completion and approval of the reimbursable agreement, an initial estimate or change in estimate will be submitted to O/B for inclusion in the apportionment request in accordance with section 110202A. The managing VA organization is also responsible for ensuring that the overall charges reconcile to the reimbursable agreement.

C. Each VA organization participating in the cost-sharing arrangement will enter into a written agreement, such as the VA Form 2269, an MOU, or SLA that outlines the following, at a minimum:

- Legal or statutory authority for the obligation, e.g., Economy Act or other authority
- Terms of the agreement, to include the portion or basis for the cost distribution
- Period of service
- Identification of funds to properly record expenditures or to transfer expenditures

D. Each VA organization participating in the cost-sharing arrangement will record its own obligation commensurate with the benefits and services received to cover its portion of the billing or contract of the reimbursable agreement. As expenditures (e.g., IPAC transactions or expenditure transfers) are posted, each VA organization is responsible for reconciling the charges with their costs associated with the overall reimbursable agreement.

1106 DEFINITIONS

110601 Buyer. The general term used for a trading partner that is purchasing goods and/or services for all types of intragovernmental activity. A buyer is also the requesting agency. Requesting agency is used specifically in the standard Interagency Agreement.

110602 Cost-Sharing Arrangement. A written agreement between VA (participating) organizations where a departmental or overarching costs (in the form of a reimbursable

¹² These are not medical cost sharing agreements, which are a type of reimbursable agreement. These are used to distribute expenditures to participating organizations in a Department-wide initiative. Refer to 110202 I. above.

agreement) is spread across the organizations. Each participating organization must have the authority to obtain the goods or services (legal authority) and funds available to incur an obligation. The costs must be identifiable and equitably distributable to each participating organization. The cost-sharing arrangement is the method used to identify the organizations, the benefits received, and the funds.

110603 Medical Sharing Agreement ([38 U.S.C 8153](#)). The sharing of health-care resources between Department health-care facilities and any health-care provider, or other entity or individual. Medical sharing agreements may be executed with a commercial service or vendor by contract or other form of agreement. This chapter only applies to medical sharing agreements VHA may have with another Federal agency.

110604 Expenditure Transfers. The transfer of funds between appropriations that involve a withdrawal from one account and a credit to another account for goods or services received. The transfer applies equally to expenditures (1) from one Federal agency to another, (2) from one appropriation to another within the same agency and (3) to an inter-agency or intra-agency working fund. All transfers between Federal funds (general, special and non-trust revolving funds) and trust funds are also treated as expenditure transfers.

110605 Interagency Agreement (IAA). A written agreement with another Federal agency to establish a reimbursable order for goods or services. The term includes acquisitions under 31 U.S.C 1535, commonly referred to as the Economy Act, Federal Supply Schedules above \$500,000, and Government-wide acquisition contracts. The IAA is a communication tool between the buyer and seller and enables them to agree on the data elements and terms of the reimbursable transaction before business begins.

110606 Intra-agency Agreement. Also known as an interservice agreement; a written agreement with another VA organization to provide goods or services.

110607 Nonexpenditure Transfer (NET). A transaction that does not represent payment for goods and services, but serves only to adjust amounts available in accounts. NETs do not appear in Treasury reports or in budget documents as receipts or expenditures and, therefore, do not affect the overall federal budget surplus or deficit.

110608 Reimbursable Agreements. Also known as a buy/sell activity; a contractual relationship under which a Federal agency may enter into an agreement with another Federal agency and accept funding from the entity as reimbursement for the cost of goods provided or services rendered. Reimbursable agreements are a type of Intragovernmental transaction.

1106098 Seller. The general term used for a trading partner that is providing goods and/or services for all types of Intragovernmental activity. A seller is also the servicing agency. The term “servicing agency” is used specifically in the standard IAA.

1107 RESCISSIONS

None required.

1108 QUESTIONS

Questions concerning these financial policies and procedures should be directed as follows:

VHA	VHA CFO Accounting Policy (10A3A) (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
All Others	OFP Accounting Policy (Outlook)]

1109 REVISIONS

Section	Revision	Office	Effective Date
Vol I Ch 11	Chapter developed per request.	APS (047GA)	Nov 2011

APPENDIX A: FMS FORM 7600, INTERAGENCY AGREEMENT (IAA)

- Treasury Forms Web site, <http://www.fms.treas.gov/finstandard/forms.html>
- Form 7600A, IAA - General Terms and Conditions (GTC) Section (partial)

United States Government Interagency Agreement (IAA) – Agreement Between Federal Agencies General Terms and Conditions (GT&C) Section		
IAA Number _____	GT&C # _____	- 0000 - Order # Amendment/Mod # _____
DEPARTMENT AND/OR AGENCY		
1.	Requesting Agency of Products/Services	Servicing Agency Providing Products/Services
	Name _____	_____
	Address _____	_____
2. Servicing Agency Agreement Tracking Number (Optional) _____		
3. Assisted Acquisition Agreement Yes No		
4. GT&C Action (Check action being taken) New Amendment – Complete only the GT&C blocks being changed and explain the changes being made. Cancellation – Provide a brief explanation for the IAA cancellation and complete the effective End Date.		
5. Agreement Period Start Date _____ End Date _____ of IAA or effective cancellation date <div style="text-align: center;">MM-DD-YYYY MM-DD-YYYY</div>		
6. Recurring Agreement (Check One) A Recurring Agreement will continue, unless a notice to discontinue is received. Yes If Yes, is this an: Annual Renewal Other Renewal State the other renewal period: _____ No		
7. Agreement Type (Check One) Single Order IAA Multiple Order IAA		
8. Are Advance Payments Allowed for this IAA (Check One) Yes No If Yes is checked, enter Requesting Agency's Statutory Authority Title and Citation		
Note: Specific advance amounts will be captured on each related Order.		

- | United States Government
Interagency Agreement (IAA) – Agreement Between Federal Agencies
Order Requirements and Funding Information (Order) Section | | | | | |
|--|--------------------------|--|--------------|---|-------|
| IAA Number _____ - _____ - _____
<div style="display: flex; justify-content: space-between; font-size: small;"> GT&C # Order # Amendment/Mod # </div> | | Servicing Agency's Agreement
Tracking Number (Optional) _____ | | | |
| PRIMARY ORGANIZATION/OFFICE INFORMATION | | | | | |
| 24.
Primary Organization/Office Name


Responsible Organization/Office Address | Requesting Agency | | | Servicing Agency | |
| ORDER/REQUIREMENTS INFORMATION | | | | | |
| 25. Order Action (Check One)

<div style="margin-bottom: 10px;"> New

 Modification (Mod) – List affected Order blocks being changed and explain the changes being made. For Example: for a performance period mod, state new performance period for this Order in Block 27. Fill out the Funding Modification Summary by Line (Block 26) if the mod involves adding, deleting or changing Funding for an Order Line. </div> <div> Cancellation – Provide a brief explanation for Order cancellation and fill in the Performance Period End Date for the effective cancellation date. </div> | | | | | |
| 26. Funding Modification Summary by Line | Line # _____ | Line # _____ | Line # _____ | Total of All Other Lines (attach funding details) | Total |
| Original Line Funding | \$ | \$ | \$ | \$ | \$ |
| Cumulative Funding Changes From Prior Mods [addition (+) or reduction (-)] | \$ | \$ | \$ | \$ | \$ |
| Funding Change for This Mod | \$ | \$ | \$ | \$ | \$ |
| TOTAL Modified Obligation | \$ | \$ | \$ | \$ | \$ |
| Total Advance Amount (-) | \$ | \$ | \$ | \$ | \$ |
| Net Modified Amount Due | \$ | \$ | \$ | \$ | \$ |
| 27. Performance Period <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> Start Date _____
 For a performance period mod, insert the start and end dates that reflect the new performance period. </div> <div style="text-align: center;"> End Date _____
 MM-DD-YYYY </div> </div> | | | | | |

APPENDIX B: VA FORM 2269, INTERAGENCY CROSS-SERVICING SUPPORT AGREEMENT

VA Forms Web site, <http://vaww4.va.gov/vaforms/>

 Department of Veterans Affairs				
INTERAGENCY CROSS-SERVICING SUPPORT AGREEMENT		PAGE	OF	PAGES
NOTE: This form can also be used for IVA+FUND.				
1A. VA AGREEMENT NO.		1B. OGA AGREEMENT NO. (if applicable)		2. AGREEMENT PERIOD (Month and Year)
3. SUPPLYING ORGANIZATION (Name, Mail routing symbol, and complete address)		4. TYPE OF ACTION (Mark "X" as appropriate) <input type="checkbox"/> NEW <input type="checkbox"/> REVISION <input type="checkbox"/> OTHER (Specify)		
5. RECEIVING ORGANIZATION (Name, Mail routing symbol, and complete address)		6. PROJECT TITLE		
7. SUMMARY OF SUPPORT SERVICES (Attach detailed description of specific support resources to be provided)				
8A. FUNDING AND REIMBURSEMENT ARRANGEMENTS (Give complete information)				
8B. COST (Actual or estimated)		8C. ACCOUNTING AND APPROPRIATION DATA		
8D. METHOD OF PAYMENT (Mark "X" and indicate billing cycle, e.g., Monthly, Quarterly, etc.) <input type="checkbox"/> SF 1080 <input type="checkbox"/> SF 1081 <input type="checkbox"/> SF 1114		8E. DISBURSING OFFICE (Name, Mail routing symbol, and complete address)		
9. ACCEPTANCE BY BOTH PARTIES TO THE AGREEMENT (Signature of authorized officials)				
9A. SIGNATURE OF SUPPLYING ORGANIZATION		9B. SIGNATURE OF RECEIVING ORGANIZATION		
TITLE OF SUPPLYING ORGANIZATION		TITLE OF RECEIVING ORGANIZATION		DATE

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10. GENERAL PROVISIONS

(The following general provisions, as set forth below, apply to this agreement unless otherwise specified in the "Remarks" block below.)

- a. The authority to provide reimbursable support services to Government departments and agencies is contained in the Economy Act of 1932, as amended, (31 U.S.C. 1535). When other authority is applicable, enter such data in Block 11 below.
- b. The requesting organization has determined that the applicability of Office of Management and Budget Circular A-76, Revised, was considered, as well as the requirements of FAR 17.502 and 17.503(a)(1) and (2).
- c. Direct and indirect actual costs will be charged for reimbursable work and services. If funds advanced to the supplying organization are more than the actual cost of performing the work or services, the difference will be returned. If an estimate is less than the actual costs incurred, the requesting organization agrees to pay for the actual costs incurred.
- d. This agreement or any of its specific provisions may be revised or amended only by the signature approval of the parties signatory to the agreement or by their respective official successors. Cancellation may be made upon 30 days written notice by either party, or their successors, to the other.

11. REMARKS